

Client Money Handling Procedure

This document sets out Cottons Property Consultants LLP Client Money Handling Procedure.

It has been prepared having regard to the RICS Professional Standard, Client Money Handling 1st Edition 2019, and it should be read in conjunction with the RICS Professional Standard.

Client Bank Accounts

All client money is held in either general or discrete client bank accounts over which Cottons Property Consultants LLP have exclusive control and where immediate access to the funds is available. No office money is held in these accounts.

Both the general client bank accounts and discrete client bank accounts (which hold money exclusively for one client) are maintained with Barclays Bank PLC.

The terms and operating conditions of our client bank accounts is documented with Barclays Bank plc.

Only Partners, Associate Partners and designated accounts staff have access to client bank accounts.

How Interest and Bank Charges are handled

No interest is earned on the funds in the general client bank accounts. Any bank charges applied to those accounts are reimbursed by Cottons Property Consultants LLP.

Discrete client bank accounts are interest bearing with all interest being credited to the individual accounts. Any bank charges on discrete client accounts are payable by the client and will be deducted from the funds held accordingly.

Controls over the Receipt of Client Money

The Accounts staff record on our cash book all client monies received by electronic payment methods or cheque no later than the next working day after receipt and allocate to the appropriate tenant ledgers.

Cheques received are recorded and banked by post, being sent to Barclays Bank no later than the next working day after receipt.

Unidentified funds are investigated and unidentified money is placed in a suspense ledger and reviewed within one month so it can be identified or returned. Where the owner cannot be identified after three years and enquiries have been exhausted the money will be paid over to a registered charity.

Any office money paid into our client account is identified and promptly transferred to our office account.

Any quantified fees are transferred to our office account in accordance with the terms of our client agreement.

Controls over the Payment of Client Money

All payments from client monies are prepared by designated accounts staff in accordance with our management agreements and the accounting systems prevent any virtual individual client account going overdrawn.

Payment of supplier invoices from client money are authorised by designated property management staff.

Two Members of the Accounts Team are required to authorise all payments from client money as set out in our banking mandate.

Cottons Property Consultants LLP do not make any payments from general client accounts by direct debit or standing order, however may arrange direct debits or standing orders from discrete client accounts with those client's written agreement

Bank Reconciliations are performed monthly on all client accounts. All bank reconciliations are reviewed by a Member of Cottons Property Consultants LLP or a member of accounts staff

RICS Client Money Protection Scheme

Cottons Property Consultants LLP are members of the RICS Client Money Protection Scheme. A copy of our certificate is available on our website. In the unlikely event that money is mishandled and there is a direct loss to our client, a claim can be made up to a maximum of £50,000.

This scheme does not apply to residential deposits which are protected under schemes operated by either the Tenancy Deposit Scheme or Deposit Protection Service, or, client money which is not exclusively controlled by Cottons Property Consultants LLP.

Anti-money laundering

All dealings with client money have regard to Cottons Property Consultants LLP anti-money laundering policy and bribery and corruption policy statement.

Client information of monies held on their accounts

Management Agreements with our clients set out details of the bank account in which their money is held, along with the frequency upon which we report to our clients.